August 6, 2012

FILED ELECTRONICALLY

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW
Washington, D.C. 20554

Re: Further Notice Of Proposed Rulemaking (FNPRM) - In the Matter of Universal Service Contribution Methodology A National Broadband Plan For Our Future: WC Docket No. 06-122, GN Docket No. 09-51
Joint Reply Comments of the Intelligent Transportation Society of America and the Technical Affairs Committee of the Association of Global Automakers

Dear Ms. Dortch:

The Intelligent Transportation Society of America ("ITS America") and the The Association of Global Automakers ("Global Automakers") hereby submit their Joint Reply Comments regarding the *Further Notice Of Proposed Rulemaking - In the Matter of Universal Service Contribution Methodology A National Broadband Plan For Our Future.*[1] in the above-captioned proceedings regarding reform and modernize how Universal Service Fund (USF) contributions are assessed and recovered.

Established in 1991, ITS America is the leading advocate for the deployment and development of communications and other advanced technologies that improve the safety, security and efficiency of the nation's surface transportation system. ITS America has been active before the Commission for 20 years in proceedings that impact the deployment of public and private ITS services, including establishment of electronic toll and location and monitoring systems in the 900 MHz band, dedicated short range communications systems in the 5.9 GHz band and millimeter wave collision avoidance radars in the 76-77 GHz band, among others. Its members include private corporations, public agencies, and academic institutions involved in the research, design, development and deployment of Intelligent Transportation Systems (ITS) that enhance safety, increase mobility and sustain the environment, and include the leading automakers. ITS America includes telematics service and equipment providers OnStar, Agero,

[1] *High Cost Universal Service Support, etc.*, CC Docket Nos. 96-45, 96-98, 99-68, 99-200, 01-92; WC Docket Nos. 03-109, 04-36, 05-337, 06-122, Order on Remand and Report and Order and Further Notice of Proposed Rulemaking, FCC 08-262 (rel. Nov. 5, 2008) ("*Universal Service Reform R&O*").

Verizon/Hughes Telematics, Qualcomm, Airbiquity, Denso and other suppliers of safety and mobility systems and services to the automotive industry. These companies work with our other members in the public sector, such as local, state and federal departments of transportation and the first responder organizations to ensure that traffic safety and emergency services are effective widely available to the driving public.

The Association of Global Automakers represents international motor vehicle manufacturers, original equipment suppliers, and other automotive-related trade associations. Our Technical Affairs Committee members include: American Honda Motor Co., American Suzuki Motor Corp., Aston Martin Lagonda of North America, Inc., Ferrari North America, Inc., Hyundai Motor America, Isuzu Motors America, Inc., Kia Motors America, Inc., Maserati North America, Inc., McLaren Automotive Ltd., Nissan North America, Inc. Peugeot Motors of America Subaru of America, Inc., ADVICS North America, Inc., Delphi Corporation, Denso International America, Inc., and Robert Bosch Corporation. Global Automakers works with industry leaders, legislators, and regulators in the United States to create public policies that improve motor vehicle safety, encourage technological innovation, and protect our planet. Global Automakers' goal as an association is to foster an open and competitive automotive marketplace that encourages investment, job growth, and development of vehicles that can enhance Americans' quality of life.

ITS America and Global Automakers agree with those *Universal Service Contribution Methodology FNPRM* commenters, specifically the Alliance of Automobile Manufacturers (AAM) and OnStar, LLC that oppose the imposition of any new flat (by connection, or by number) or value-added fees on telematics and M2M providers. ITS America and Global Automakers believes any fees will have a chilling effect on their lifesaving services such as new collision prevention, occupant protection, and post-crash emergency services. Both ITS America and Global Automakers agree with OnStar that the Commission should exempt in-vehicle connectivity services and M2M connections from USF contribution requirements, or adopt an equitable compensation method applicable to such services.

Telematics provide critical public safety benefits to the traveling public, particularly through the Automatic Crash Notification ("ACN") and emergency calling features. The life-saving benefits of these services are well documented and have been acknowledged previously by the Commission.[2] OnStar reports that, in its 16 years of operation, it has offered ACN also known as Automatic Crash Response ("ACR"), and its ACR feature has aided subscribers in over 191,000 crash incidents.[3] OnStar's ACR services relay to emergency responders critical, detailed information regarding the accident such as the location, direction, number of impacts, rollover status, and the change in velocity ("delta V") at the time of collision. This information helps emergency responders arrive more quickly at the scene of an accident, and anticipate the likely types of injuries and what equipment and personnel may be needed.

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[2] *See Revision of Commission's Rules to Ensure Comparability with Emergency Calling Systems*, Report and Order and Second Further Notice of Proposed Rulemaking, CC Docket No. 94-102, IB Docket No. 99-67, 18 FCC Rcd 15340, §§ 71-76 (2003) ("*E-911 Compatibility R&O*").

[3] *See OnStar Press Release dated April 18, 2012*; News at: http://media.gm.com/media/us/en/onstar/news.detail.html/content/Pages/news/us/en/2012/Apr/0418_onstar.html

In 2008, ITS America submitted reply comments to *High Cost Universal Service Support, etc., Order on Remand and Report and Order and Further Notice of Proposed Rulemaking*[4], where ITS America agreed again with OnStar and other commenters[5] that the imposition of the flat, monthly fee directly on telematics providers may be inconsistent with the standard for USF contributions that they be "equitable and non-discriminatory"[6] given that the contributions would appear to vastly exceed the network usage and interstate telecommunications revenues associated with telematics.[7] In its *FNPRM at para. 315*, the Commission noted its earlier proceeding and requested commenting parties to update the record on any relevant developments.

As illustrated by OnStar's and AAM's comments, since 2008, new telematics technology continues to dramatically improve the safety of the travelling public. It is clearer today than ever before that unduly burdening this public safety focused industry with USF contributions disproportionate to usage will inhibit the acceptance and deployment of these services.

Since our last submission, telematics has been more widely adopted by the automotive industry. Insurance telematics, on-board devices that measure good driving behaviors and provide premium discounts and feedback to drivers have already begun to capture the imagination of consumers, and may over the long term change driver attitudes and consciousness towards safety. Telematics service providers also offer remote vehicle diagnostic services that provide important maintenance checks (e.g. oil life, tire pressure) that improve vehicle quality and safety.

Beyond even these applications, telematics will have transformative impact on public health through tele-medicine. Motor vehicle crashes are third overall in terms of the years of life lost, i.e., the number of remaining years that the person is expected to live had they not died; ranked after heart disease and cancer.[8] Recently the National Highway Traffic Safety Administration, working with the Centers for Disease Control, Emergency Medical Services (EMS) community and telematics service providers have worked together to understand and measure severity of crashes and level of injury based on automotive telemetry data following a crash. Advanced Automated Collision Notification systems are being designed to ensure that EMS know ahead of time to transport severely injured drivers directly to a trauma care center, as opposed to another medical facility –a strategy that is estimated to reduce the risk of death by 25 percent. In vehicle tele-health systems have been prototyped to include wireless health measurement devices and cloud based services, featuring electrocardiographs in vehicle seats or wireless glucose monitors that may detect impending heart attacks or hypoglycemic episodes, respectively, warning the driver to pull over and safety stop the vehicle. Since driving is an activity that spans a good portion of many persons' lifetime, these tele-health services added to

[4] CC Docket Nos. 96-45, 96-98, 99-68, 99-200, 01-92; WC Docket Nos. 03-109, 04-36, 05-337, 06-122

[5] See ATX Group Comments at 7-9; OnStar Comments at 7; Toyota Motor Sales Comments at 11-12; Volvo Comments at 2.

[6] 47 U.S.C. § 254(d).

[7] *See* ATX Comments at 7-9; OnStar Comments at 5; Toyota Motor Sales Comments at 11-12.

[8] Traffic Safety Facts Research Note -Motor Vehicle Traffic Crashes As a Leading Cause of Death in the United States, 2005, National Transportation Highway Safety Administration (NHSTA), April 2008.

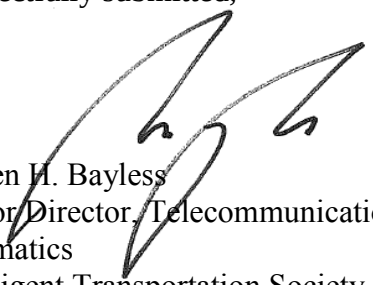
improve driver safety could conceivably provide long term data needed by medical service providers to diagnose effectively a number of diseases.[9]

In the near term, new innovative collision prevention systems, such as Vehicle-to-Vehicle communications-based crash avoidance systems, being contemplated by US Department of Transportation and the auto industry are also on the horizon. These systems are estimated to potentially mitigate or prevent nearly 81% of light vehicle crashes.[10] Success of these next generation vehicle safety systems technologies will increasingly depend on wireless connections that are very reliable, but at the same time reasonably affordable.

In closing, any contribution methodology for the USF applied to telematics and other M2M services will impose costs to consumers and administrative burdens on automakers and their telematics service providers. Imposing additional costs to safety features will likely have a deleterious impact on the adoption of telematics services by consumers, reducing their associated transportation mobility, safety and public health benefits. The public interest would not be served by a contribution methodology that results, intended or not, in the elimination or curtailment of these services.

The Intelligent Transportation Society of America and the Association of Global Automakers appreciate the opportunity to provide its reply comments.

Respectfully submitted,



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[9] New England Healthcare Institute (NEHI) An Innovative Technology Profile: In-Car Telehealth An Innovative Technology Profile: In-Car Telehealth, 2012

[10] ITS Research Fact Sheets, Vehicle-to-Vehicle (V2V) Communications for Safety, US Department of Transportation, Research and Innovative Technology Administration (RITA) ITS Joint Program Office, 2010

CERTIFICATE OF SERVICE

I, Steven H. Bayless, do hereby certify that on this 6th day of August, 2012, I caused to be sent via First Class, postage prepaid US mail, a copy of the foregoing, "Joint Reply Comments of the Intelligent Transportation Society of America and the Technical Affairs Committee of the Association of Global Automakers," to the following persons:

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